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October 7, 2008

VIA ECFS

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: Notice of *Ex parte*: WC Dockets 99-68, 05-337, 06-122 and 07-135
CC Dockets 01-92 and 96-45**

Dear Ms. Dortch:

On October 6, 2008, David Erickson, CEO of FreeConferencing Corporation (“FreeConference”) along with counsel, Ross A Buntrock, Womble Carlyle Sandridge & Rice, PLLC had separate *ex parte* meetings with the following:

- Amy Bender, Legal Advisor to Chairman Kevin J. Martin;
- Nicholas Alexander, Legal Advisor to Commissioner Robert M. McDowell;
- Scott Bergmann, Legal Advisor to Commissioner Jonathan S. Adelstein;
- Scott Deutchman, Legal Advisor to Commissioner Michael J. Copps;
- Greg Orlando, Legal Advisor to Commissioner Deborah Taylor Tate; and
- Wireline Competition Bureau Staff including Randy Clarke, Albert Lewis, Marcus Maher, and Bureau Chief Dana Schaffer.

In each of the meetings, FreeConference discussed issues raised in the above-captioned dockets. The attached written presentation was used as a basis for discussion in each meeting.

Respectfully submitted,

/s/

Ross A. Buntrock

cc: **Via Electronic Mail**
Nicholas Alexander
Amy Bender
Scott Bergmann
Randy Clarke
Scott Deutchman

Albert Lewis
Greg Orlando
Marcus Maher
Dana Shafer

**In the Matter of Establishing Just and
Reasonable Rates for Local Exchange
Carriers
WC Docket 07-135**

October 6, 2008

Ross A. Buntrock

Womble Carlyle Sandridge & Rice, PLLC

Counsel to FreeConferencing Corporation

David Erickson

CEO, FreeConferencing Corporation



Who is FreeConferenceCall.com

- Began operations in 2001
- End user of telecommunications services providing a wide array of free and paid collaborative communications
- Over 8 million users per month
- Provides service to small businesses, non-profits, Fortune 500 companies, and government users
- FreeConferenceCall.com's services have been lauded by Fortune and Network World

Who is FreeConferenceCall.com?

- FreeConferenceCall is an innovative information service provider connecting businesses at reasonable and customary long-distance rates
- FreeConferenceCall provides equipment and other enhanced functions in the same manner as ISPs (including AT&T)
- The conferencing services facilitated by FreeConferenceCall are used for a variety of purposes including: business meetings, marketing, facilitating events, group conversations
- The services provided by FreeConferenceCall meet the needs of unserved and underserved communities by putting these services within the reach of a spectrum of users

Revenue Sharing Agreements Are Permissible Under the Act

- Revenue sharing agreements are common throughout the telecommunications industry and the IXC's themselves have them in place
- Section 61 does not prohibit these arrangements
- Revenue sharing arrangements fully comply with the applicable tariffs
- Revenue sharing agreements foster marketplace competition
- The Commission has never required a CLEC to provide a study of its own costs or certify its practices in establishing a reasonable rate

The FCC Has Repeatedly Found Revenue Sharing Agreements to Be Lawful and Valid Business Practice

- *AT&T Corp. v. Jefferson Tel. Co.*, 16 FCC Rcd 16130 (2001)
- *AT&T Corp. v. Frontier Communications of Mr. Pulaski, Inc.*, 17 FCC Rcd 4041 (2002)
- *AT&T Corp. v. Beehive Tel. Co.*, 17 FCC Rcd 11631 (2002)

The Commission Must Reject the Verizon/AT&T Plan

- The proposed uniform \$0.0007 rate will significantly harm rural competitors
- If RLEC rates are reduced, rates for other services will significantly increase and will be passed to customers

Piecemeal Regulation of Access Charge Issues Will Not Fix The Reciprocal Compensation System

- The Commission has expressed a need to reform intercarrier compensation as a whole to eliminate regulatory arbitrage for over eleven years
- The current economic crisis requires new and creative means to generate telecom revenues and is not the time for piecemeal “solutions”
- Revenue sharing arrangements facilitate the provision of advanced services in otherwise unserved or underserved areas
- Rural reliance on USF to generate revenue to support costs is not the answer

The Commission Must Grant the FreeConferenceCall Petition for Reconsideration of the *Intercall Order*

- The FCC cannot impose industry-wide contribution requirements without a rulemaking proceeding
- The FCC's own precedent does not support its conclusion that conferencing services are not sufficiently integrated to constitute an integrated information service
- Conference bridges do not route any traffic and are therefore not telecommunications carriers subject to USF